14 July 2026

Global Markets Research

Daily Market Highlights

14 July: All eyes on Kevin Warsh testimony and US CPI

Higher oil prices & AI jitters weighed on Wall Street; UST yields & DXY rose
Fed Waller: Rate hike in the near term needed if core inflation stays hot
Stronger than expected Singapore's advanced 2Q GDP growth at 5.7% y/y

- The standoff between the US-Iran lifted crude oil prices overnight, and saw stocks joining bonds lower in Wall Street. The WTI and Brent jumped more than 9% d/d each to $78.14/barrel and $83.30/barrel respectively after President Trump announced that the US is reimposing blockage on Iranian shipping in the Strait of Hormuz following the recent strikes, and that he proposed that the US charges 20% on all cargo shipped through the straits as a reimbursement as the "guardian" of the major oil shipping route.
- In Wall Street, Nasdaq (-1.6% d/d) led losses amongst the 3 major equity indices, while the S&P 500 and Dow lost 0.8% d/d and 0.3% d/d. Semiconductor names were notably under pressure after SK Hynix shares plummeted after Friday's debut, dragging other chips stocks lower with it.
- In the bond space, treasury yields jumped 5-7bps following the rally in crude oil prices and after Fed Governor Christoper Waller said that policy makers need to raise rates in the near term if core inflation continues to be elevated. This saw traders upping rate hike bets, and yields to the 2Y and 10Y closing the day at 4.28% (+7bps) and 4.62% (+6bps).
- Other from the CPI tonight, the earnings season will kick off with results from major US banks, while new Fed Chair Kevin Warsh is also due to testify in Congress.
- Elsewhere, Stoxx Eur 600 closed just below its flatline with geopolitics in focus, and as declines in tech and travel shares were offset by gains in energy. Led by UK gilts, 10Y sovereign bond yields closed the day 3-10bps higher, rebounding from -1 to -5bps the prior day.
- Major Asian bourses closed mixed, with Nikkei 225 and CSI 300 falling 1.8-1.9% d/d while Hang Seng closed up 0.2% d/d, but are expected to track lower today following Wall Street and as the geopolitical tension intensifies.
- The DXY (0.3% d/d to 101.24) rose alongside bets on Fed rate hikes, while JPY weakened 0.5% d/d to 162.43 amid reports that Japan has no plans to change the Government Pension

Key Market Metrics

	Level	d/d (%)
Equities		
Dow Jones	52,498.64	-0.26
S&P 500	7,515.34	-0.79
NASDAQ	25,873.18	-1.55
Stoxx Eur 600	641.01	-0.01
FTSE 100	10,498.29	0.01
Nikkei 225	67,242.73	-1.92
CSI 300	4,695.38	-1.79
Hang Seng	24,213.72	0.16
Straits Times	5,470.34	0.02
KLCI 30	1,698.44	0.41
FX		
Dollar Index	101.24	0.28
EUR/USD	1.1381	-0.31
GBP/USD	1.3348	-0.42
USD/JPY	162.43	0.46
AUD/USD	0.6918	-0.52
USD/CNH	6.7851	0.05
USD/MYR	4.0700	-0.07
USD/SGD	1.2945	0.23
USD/KHR	4,033.00	0.14
USD/THB	33.35	0.09
Commodities		
WTI ($/bbl)	78.14	9.42
Brent ($/bbl)	83.30	9.59
Gold ($/oz)	4,005.70	-2.63
Copper ($/MT)	13,541.00	0.42
Aluminum($/MT)	3,169.50	0.96
CPO (RM/MT)	4,472.00	0.38

Source: Bloomberg, HLBB Global Markets Research

Investment Fund's asset allocation. EUR, GBP and AUD depreciated 0.3-0.5% d/d to 1.1381, 1.3348 and 0.6918 against the USD.

- Similarly, most regional currencies were weaker against the greenback. CNH and SGD depreciated 0.1-0.2% d/d to 6.7851 and 1.2945, the latter likely to be well supported by the stronger than expected advanced 2Q GDP print for Singapore released early today. MYR, meanwhile, was the outlier and appreciated 0.1% d/d to 4.0700.

Singapore's economy grew a robust 5.7% y/y in 2Q

- Advanced 2Q GDP growth reading was better than expected, easing to 5.7% y/y from an upwardly revised 6.3% y/y previously. With this, this could pose upside risks to ours as well as official GDP forecasts for 2026 (HLB: 3.5%; official: 2-4%).
- The softer growth in 2Q was largely driven by softer growth momentum for services (4.6% y/y vs 6.2% y/y) and construction (6.2%y/y vs 12.9% y/y), which more than offset robust growth for manufacturing (12.2% y/y vs 8.0% y/y), the latter largely driven by output increases in the electronics and precision engineering clusters on account of strong AI-related demand for semiconductors and semiconductor manufacturing equipment respectively. On the other hand, the chemicals and biomedical manufacturing clusters contracted, with the former due to feedstock disruptions arising from the conflict in the Middle East.
- Moving into 2H, we opine that growth momentum will moderate from the current levels with the elevated cost of living likely to put downward pressure on consumer spending, while elevated interest rates could weigh on investment decisions.

House View and Forecasts

FX	This Week	3Q-26	4Q-26	1Q-27	2Q-27
DXY	99-103	102.28	100.86	99.42	98.07
EUR/USD	1.13-1.16	1.13	1.14	1.16	1.18
GBP/USD	1.32-1.36	1.29	1.30	1.32	1.33
USD/CHF	0.78-0.82	0.81	0.81	0.80	0.79
USD/JPY	159-164	162	159	155	153
AUD/USD	0.68-0.71	0.68	0.70	0.71	0.72
NZD/USD	0.55-0.59	0.56	0.56	0.57	0.57
USD/CNY	6.76-6.82	6.85	6.78	6.72	6.65
USD/MYR	4.05-4.12	4.15	4.11	4.07	4.03
USD/SGD	1.28-1.31	1.31	1.30	1.28	1.27
USD/THB	32.90-33.80	32.50	32.30	32.0	32.0

FX	Last close	3Q-26	4Q-26	1Q-27	2Q-27
EUR/MYR	4.6532	4.68	4.71	4.73	4.75

GBP/MYR	5.4503	5.37	5.36	5.36	5.36
AUD/MYR	2.8252	2.83	2.86	2.87	2.89
CNY/MYR	0.6005	0.61	0.61	0.61	0.61
SGD/MYR	3.1508	3.18	3.17	3.17	3.17

Rates, %	Current	3Q26	4Q26	1Q27	2Q27
Fed	3.50-3.75	3.50-3.75	3.50-3.75	3.50-3.75	3.50-3.75
ECB	2.25	2.50	2.50	2.50	2.50
BOE	3.75	3.75	3.75	3.75	3.75
SNB	0.00	0.00	0.00	0.00	0.00
BOJ	1.00	1.00	1.25	1.25	1.25
RBA	4.35	4.35	4.35	4.35	4.35
RBNZ	2.50	2.50	2.50	2.50	2.50
BNM	2.75	2.75	2.75	2.75	2.75

Source: HLBB Global Markets Research

Up Next

Date	Events	
14-Jul	AU Westpac Consumer Conf SA MoM (Jul)	-2.90%
	AU NAB Business Confidence (Jun)	-14
	US NFIB Small Business Optimism (Jun)	95.3
	US Real Avg Weekly Earnings YoY (Jun)	-0.40%
	US Core CPI YoY (Jun)	2.90%
	CH Exports YoY (Jun)	19.40%
15-Jul	JN Core Machine Orders MoM (May)	8.70%
	CH New Home Prices MoM (Jun)	-0.20%
	CH Used Home Prices MoM (Jun)	-0.26%
	CH GDP YoY (2Q)	5.00%
	CH Retail Sales YoY (Jun)	-0.60%
	CH Industrial Production YoY (Jun)	4.50%
	CH Fixed Assets Ex Rural YTD YoY (Jun)	-4.10%
	CH Surveyed Jobless Rate (Jun)	5.10%
	EC Industrial Production SA MoM (May)	0.10%
	US MBA Mortgage Applications (10-Jul)	-2.2%
	US Empire Manufacturing (Jul)	5.7
	US PPI Final Demand YoY (Jun)	6.50%
	US Fed Releases Beige Book	

Source: Bloomberg

Hong Leong Bank Berhad
Fixed Income & Economic Research,
Global Markets
Level 8, Hong Leong Tower
6, Jalan Damanlela
Bukit Damansara
50490 Kuala Lumpur
Tel: 603-2081 1221
Fax: 603-2081 8936
HLMarkets@hlbb.hongleong.com.my

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